THE CHALLENGE

The Dominican Republic (DR) has already built a major tourism industry—in 1972, there were approximately 1,600 hotel rooms; it now has over 60,000. According to the to the World Tourism Organization, the country received 3.9 million of the Caribbean's 19.5 million visits in 2006, surpassing traditional destinations such as Jamaica, the Bahamas, and Puerto Rico. While the tourism industry has been successful, it faces new challenges brought on by rapid growth.

Despite having Latin America's highest economic growth rate in 2006 (10.7 percent) the DR suffers from marked income inequality. While 25 percent of the country lives below the poverty line, the richest 10 percent enjoys nearly 40 percent of the national income. With high levels of poverty, especially in rural areas, widespread unemployment and densely populated coastal zones have exacerbated pressure on natural resource—especially the country's vibrant coral reefs.

Currently, just 13 in 100 visitors to the DR visit the country's protected areas. Most visitations occurs in only a handful of parks at extremely high concentrations. This presents the DR with an excellent opportunity to increase both the quantity and quality of visitor services in and around the parks.

The DR is confronted with a host of challenges and opportunities regarding the transformation of its natural, historical, and cultural resources into a sustainable tourism sector that effectively distributes benefits in ways that contribute to poverty alleviation, economic expansion, and the conservation of biological diversity. On one hand, if current trends continue—with large-scale, "sun and sand" tourism comprising the overwhelming majority of the country's tourism offerings, the island's natural resource base will not be able to keep up with current development pressures. Once natural resources become severely degraded they will negatively impact the tourism sector. To ensure that tourism development is sustainable, the DR must catalyze on the opportunity that exists to reinvent itself as a nature-based tourist destination.

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Dominican Sustainable Tourism Alliance



USAID PRIMARY GOAL: Help the people of the Dominican Republic build and sustain a democratic, well-governed state that responds to the needs of Dominicans, reduces widespread poverty and conducts itself responsibly in the international system

THE PROJECT

The ultimate goal of the USAID Dominican Sustainable Tourism Alliance (USAID-DSTA) is to better equip and strengthen local small, medium-sized and community based tourism enterprises, and relevant tourism entities (most notably the existing tourism clusters) to independently sustain efforts once external funding from USAID/DR is removed. This will be best achieved through continued public-private collaboration and outreach to new development partners at the national, regional, and global levels that is subsequently led by stronger, more capable Dominican tourism institutions.

To achieve this goal, the USAID-DSTA, among other things, will build on, expand, and consolidate the considerable investments already made by USAID/DR in the following principal areas:

- I. Moving the tourism clusters developed under the USAID Competitiveness and Policy Program (Romana-Bayahibe, La Vega, Barahona, Puerto Plata, Altagracia, and Samaná) towards self-sufficiency and sustainability;
- 2. Strengthening municipal environment management capabilities and stimulating small, medium, and community-based tourism efforts; and
- 3. Improving protected area management initiatives in selected locations originally begin under the Parks-in-Peril Program.

In addition, the USAID-DSTA will also help:

- Develop a common vision of sustainable development for the DR;
- Improve local production capacities while enhancing the quality of local tourism offerings, products, services, and handicrafts in selected areas; and
- Connect small, medium, and community-based entrepreneurs with the global market place.

This will be accomplished by establishing linkages among the traditional tourism sector, international buyers, and local service providers, and developing marketing strategies that achieve long-term financial sustainability.